



County of Los Angeles
CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
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WILLIAM T FUJIOKA
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

December 20, 2011

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

17 December 20, 2011

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

**AMENDMENT NO. 3 TO LEASE NO. 72674
SHERIFF'S DEPARTMENT
4900 SOUTH EASTERN AVENUE, COMMERCE
(FIRST DISTRICT) (3 VOTES)**

SUBJECT

The recommendation is for an amendment to an existing lease to extend the lease term for up to an additional five years.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the project is exempt from the provisions of the California Environmental Quality Act pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15301 of the State of California Environmental Quality Act Guidelines (Existing Facilities).
2. Approve and instruct the Chairman to sign the lease amendment with TNP Property Manager, LLC for the Sheriff's Department to continue occupancy of 38,936 rentable square feet of office space and 185 parking spaces located at 4900 South Eastern Avenue, at a maximum first year cost of \$864,380. The rental costs are 100 percent net County cost.

"To Enrich Lives Through Effective And Caring Service"

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PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this recommended action is to enter into a lease amendment, which allows the Sheriff's Department (Sheriff) to continue operations at the subject facility for an additional five years. The Sheriff has requested a lease extension until they can relocate other programs to the redeveloped Hall of Justice and backfill the vacated space with programs housed at the subject facility. The County will have the right to cancel this lease anytime after December 31, 2014. The Sheriff has occupied the subject facility since the Hall of Justice was "yellow-tagged" following the January 1994 earthquake. The Sheriff's Advocacy, Equity Oversight, Internal Affairs, Internal Criminal Investigations, Office of Independent Review, Risk Management Bureau, and Traffic Services programs are housed at this facility.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan Goal of Operational Effectiveness (Goal 1) directs that we maximize the effectiveness of the County's operations to support the timely delivery of customer-oriented and efficient public services. Approval of the lease amendment will provide the continued occupancy of the office space that houses these Sheriff's programs. The lease amendment is in conformance with the Asset Management Principles as outlined in Attachment A.

FISCAL IMPACT/FINANCING

The maximum first year rental costs will be \$864,380.

4900 SOUTH EASTERN AVE., COMMERCE	EXISTING LEASE	PROPOSED AMENDMENT	CHANGE
Area	38,936 square feet (sq. ft.)	38,936 square feet (sq. ft.)	None
Term	3/21/2006 to 3/20/2011; Month-to-Month (3/21/11-Present)	1/1/2012 TO 12/31/2016 Upon Board approval	+5 years
Annual Base Rent	\$541,990 or \$13.92/sq. ft.	\$864,380 or \$22.20/sq. ft.	+ \$322,390
Annual Operating Expense Rent	\$408,830 or \$10.50/sq. ft.	\$0	- \$408,830
Total Cost*	\$950,820 (\$24.42 per sq. ft.)	\$864,380 (\$22.20 per sq. ft.)	-\$86,440
Parking	185 parking spaces	185 parking spaces	None
Cancellation	County may cancel after April 1, 2008, upon 180 days prior written notice.	County may cancel after December 31, 2014, upon 120 days prior written notice.	Cancelable after three years.
Rental Adjustment	Operating Expense Rent subject to annual CPI adjustment with a cap of 4 percent.	Total Rent subject to annual CPI adjustment with a cap of 4 percent.	Total Rent subject to adjustment.

* Total Cost is the sum of the Annual Base Rent and Annual Operating Expense Rent.

Sufficient funding for the proposed lease amendment is included in the 2011-12 Rent Expense budget and will be billed back to the Sheriff. The Sheriff has allocated sufficient funds in its 2011-12 operating budget to cover the projected lease costs. The rental costs are 100 percent net County cost.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The existing terms and conditions of the original lease shall remain unchanged for the proposed amendment, except the following provisions:

- The extended lease term shall commence on January 1, 2012, and terminates five years thereafter.
- The rent shall be adjusted annually in accordance with changes in the CPI, but the annual adjustment shall not be more than 4 percent.
- A new cancellation option allows the County to terminate early anytime after December 31, 2014, upon 120 days advance written notice.
- The Lessor will continue to be responsible for all building operating expenses associated with the County's tenancy.
- As a condition precedent to the County entering this lease amendment, the Lessor installs new carpet, at its sole expense.

Based upon a market survey of similar office properties, staff has determined that the rental costs including parking for similar properties and similar lease terms is between \$21.00 and \$25.20 per square foot per year. Thus, the proposed annual rental cost of \$22.20 is within the market rental range for the area.

The Chief Executive Office (CEO) Disability Civil Rights Unit inspected the leased premises and related common areas to assess Americans with Disabilities Act (ADA) accessibility compliance. A report identifying barriers to accessibility has been completed and provided to the Sheriff. Pursuant to the report, the Lessor will be completing ADA improvements at its sole cost.

An evaluation of the subject building was conducted by the Department of Public Works' (DPW) Architectural Engineering Division. DPW engineers have indicated the building's structural system is suitable for County-leased buildings.

Notice has been sent to the City of Commerce (City) pursuant to Government Code Sections 65402 and 25351. The City has no objections to the proposed renewal.

A child care center in this building is not feasible.

ENVIRONMENTAL DOCUMENTATION

The CEO has concluded that this project is exempt from California Environmental Quality Act (CEQA) as specified in Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by your Board, and Section 15301 of the State CEQA Guidelines (Existing Facilities).

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed lease amendment will provide the office space necessary for the Sheriff to maintain its programs at the current location. The Sheriff concurs with the recommendation herein.

CONCLUSION

It is requested that the Executive Officer, Board of Supervisors return three certified copies of the Minute Order and the adopted stamped Board letter to the CEO, Real Estate Division, 222 South Hill Street, Los Angeles, CA 90012.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

WTF:RLR:CMM
CEM:KW:ls

Attachments

- c: Executive Office, Board of Supervisors
- County Counsel
- Auditor-Controller
- Internal Services
- Sheriff

SHERIFF'S DEPARTMENT
4900 SOUTH EASTERN AVENUE, COMMERCE
Asset Management Principles Compliance Form¹

1.	Occupancy		Yes	No	N/A
	A	Does lease consolidate administrative functions? ²			X
	B	Does lease co-locate with other functions to better serve clients? ²	X		
	C	Does this lease centralize business support functions? ²			X
	D	Does this lease meet the guideline of 200 sq. ft of space per person? ² 213 sq. ft. per person (38,936 sq.ft. / 183 FTE). The space includes interview rooms and large storage rooms.		X	
2.	Capital				
	A	Is it a substantial net County cost (NCC) program?	X		
	B	Is this a long term County program?	X		
	C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		X	
	D	If no, are there any suitable County-owned facilities available?		X	
	E	If yes, why is lease being recommended over occupancy in County-owned space?			X
	F	Is Building Description Report attached as Attachment B?	X		
	G	Was build-to-suit or capital project considered? ² Upon completion of the Hall of Justice capital project, the Sheriff's Department will relocate programs and consolidate its facilities.		X	
3.	Portfolio Management				
	A	Did department utilize CEO Space Request Evaluation (SRE)?	X		
	B	Was the space need justified?	X		
	C	If a renewal lease, was co-location with other County departments considered?	X		
	D	Why was this program not co-located?			
		1. ____ The program clientele requires a "stand alone" facility.			
		2. <u>X</u> No suitable County occupied properties in project area.			
		3. <u>X</u> No County-owned facilities available for the project.			
		4. ____ Could not get City clearance or approval.			
		5. ____ The Program is being co-located.			
	E	Is lease a full service lease? ²	X		
	F	Has growth projection been considered in space request?	X		
	G	Has the Dept. of Public Works completed seismic review/approval?	X		
¹ As approved by the Board of Supervisors 11/17/98					
² If not, why not?					

SHERIFF'S DEPARTMENT – 4900 EASTERN, COMMERCE SPACE SEARCH, 5 MILE RADIUS OF 4900 EASTERN, COMMERCE SPACE

LACO FACILITY NAME	ADDRESS	SQUARE FEET GROSS NET	OWNERSHIP	SQUARE FEET AVAILABLE
Y307 PUBLIC LIBRARY-CITY TERRACE LIBRARY	4025 E CITY TERRACE DR, EAST LOS ANGELES 90063	8007	6984 OWNED	NONE
A046 SHERIFF-CITY TERRACE SUBSTATION	4100 CITY TERRACE DR, LOS ANGELES 90063	1076	1022 LEASED	NONE
4526 BISCAILUZ-ADMINISTRATION BUILDING	1060 N EASTERN AVE, LOS ANGELES 90063	16571	11428 OWNED	NONE
6131 DCSS-EAST LOS ANGELES SERVICE CENTER	133 N SUNOL DR, EAST LOS ANGELES 90063	28514	21777 OWNED	NONE
X707 PUBLIC LIBRARY-ANTHONY QUINN LIBRARY	3965 E CESAR E CHAVEZ AVE, CITY TERRACE 90063	7275	6077 OWNED	NONE
A930 PUBLIC LIBRARY-EL CAMINO REAL LIBRARY	4264 E WHITTIER BLVD, EAST LOS ANGELES 90023	3280	2563 OWNED	NONE
X201 EDMUND D EDELMAN CHILDREN'S COURT	201 CENTRE PLAZA DR, MONTEREY PARK 91754	275530	205280 FINANCED	NONE
A423 SHERIFF-PERSONNEL AND RECRUITMENT CENTER	101 CENTRE PLAZA DR, MONTEREY PARK 91754	37590	33831 LEASED	NONE
3542 FIRE-ADMINISTRATIVE HEADQUARTERS BUILDING	1320 N EASTERN AVE, LOS ANGELES 90063-3294	39015	24288 FINANCED	NONE
X155 ISD-EASTERN AVE COMPLEX TELECOM BUTLER BLDG	1112 N EASTERN AVE, LOS ANGELES 90063	4960	4638 OWNED	NONE
5863 ISD-ADMINISTRATIVE HEADQUARTERS	1100 N EASTERN AVE, LOS ANGELES 90063	80309	58826 OWNED	NONE
5870 ISD-EASTERN AVE COMPLEX TELECOM BRANCH BLDG	1110 N EASTERN AVE, LOS ANGELES 90063	37742	28973 FINANCED	NONE
T590 ISD-EASTERN AVE TELECOM CUSTOMER SERVICE BLDG	1110 N EASTERN AVE, LOS ANGELES 90063	1224	1016 GRATIS USE	NONE
T061 ISD-EASTERN COMPLEX PROJECT MANAGEMENT TRAILR	1100 N EASTERN AVE, LOS ANGELES 90063	7200	6840 LEASED	NONE
T039 SHERIFF-EASTERN COMPLEX FLEET SERVICES OFFICE	1104 N EASTERN AVE, LOS ANGELES 90063	1548	1428 OWNED	NONE
X167 SHERMAN BLOCK SHERIFF'S HEADQUARTERS BUILDING	4700 W RAMONA BLVD, MONTEREY PARK 91754	125000	106250 FINANCED	NONE
A015 DCFS CORPORATE CENTER OFFICE	2525 CORPORATE PL, MONTEREY PARK 91754	29542	27820 LEASED	NONE
A324 FIRE-EMPLOYEE RELATIONS OFFICE	2255 CORPORATE CENTER DR, MONTEREY PARK 91754	3079	2925 LEASED	NONE
A327 HS-OFFICE OF MANAGED CARE	1100 CORPORATE CENTER DR, MONTEREY PARK 91754	15280	14516 LEASED	NONE
A023 LASD/FIRE/OPS/ISD CORPORATE PLACE	2525 CORPORATE PL, MONTEREY PARK 91754	10941	7428 LEASED	NONE
Y135 CENTRO MARAVILLA SERVICE CENTER-BLDG B	4716 CESAR E CHAVEZ AVE, EAST LOS ANGELES 90022	3612	1948 OWNED	NONE
Y136 CENTRO MARAVILLA SERVICE CENTER-BLDG C	4716 CESAR E CHAVEZ AVE, EAST LOS ANGELES 90022	4073	3112 OWNED	NONE
5412 EAST LOS ANGELES COUNTY HALL	4801 E 3RD ST, EAST LOS ANGELES 90022	14848	10741 OWNED	NONE
4364 PROBATION-EAST LOS ANGELES AREA OFFICE	4849 E CIVIC CENTER WAY, EAST LOS ANGELES 90022	15584	11327 OWNED	NONE
0522 PUBLIC LIBRARY-EAST LOS ANGELES LIBRARY	4837 E 3RD ST, LOS ANGELES 90022	20000	18000 OWNED	NONE
A275 COMMUNITY DEVELOPMENT COMMISSION HEADQUARTERS	2 CORAL CIR, MONTEREY PARK 91755	67500	60750 LEASED	NONE
C740 DPSS-FLORENCE AP DISTRICT OFFICE	1740 E GAGE AVE, LOS ANGELES 90001	60000	28601 OWNED	NONE
C741 DPSS-FOOD STAMPS/ FISCAL SERVICES OFFICE	6367 S HOLMES AVE, LOS ANGELES 90001	5220	3872 OWNED	3872
Y425 PUBLIC LIBRARY-FLORENCE LIBRARY	1610 E FLORENCE AVE, LOS ANGELES 90001	5124	4448 OWNED	NONE
A320 MENTAL HEALTH-WELLNESS CENTER	2675 ZOE AVE, HUNTINGTON PARK 90255	2574	2445 LEASED	NONE
6578 DPSS-METRO EAST AP DISTRICT OFFICE	2855 E OLYMPIC BLVD, LOS ANGELES 90023	63066	29220 OWNED	NONE
3709 HUNTINGTON PARK COURTHOUSE	6548 MILES AVE, HUNTINGTON PARK 90255	29954	21359 LEASE	NONE
T409 HUNTINGTON PARK COURTHOUSE ANNEX	6548 MILES AVE, HUNTINGTON PARK 90255	4480	4000 LEASE	NONE
5466 PUBLIC LIBRARY-HUNTINGTON PARK LIBRARY	6518 MILES AVE, HUNTINGTON PARK 90255	33482	24243 OWNED	NONE
D030 PUBLIC LIBRARY-MAYWOOD CESAR CHAVEZ LIBRARY	4323 E SLAUSON AVE, MAYWOOD 90270	3362	2881 GRATIS USE	NONE
A190 PUBLIC LIBRARY-BELL LIBRARY	4411 E GAGE AVE, BELL 90201	4863	3515 LEASED	NONE
4465 DF KIRBY CENTER-ADMINISTRATION BUILDING	1500 S MCCONNELL AVE, COMMERCE 90022	18169	10117 OWNED	NONE
B460 DPSS-GAIN PROGRAM REGION VI OFFICE	5460 BANDINI BLVD, BELL 90201	31400	21815 LEASED	NONE
A133 CHILD SUPPORT SERVICES-DIVISION II HQ	5770 S EASTERN AVE, CITY OF COMMERCE 90040-2924	84477	63413 LEASED	NONE
A332 CHILD SUPPORT SERVICES-TRAINING/IT DIVISION	5500 S EASTERN AVE, CITY OF COMMERCE 90040	48794	46354 LEASED	NONE
A570 CSDD-INTERSTATE/CALL CENTER/CID	5701 S EASTERN AVE, CITY OF COMMERCE 90040	61130	55017 LEASED	NONE
A188 SHERIFF-INTERNAL AFFAIRS BUREAU/RISK MANAGEMT	4900 S EASTERN AVE, CITY OF COMMERCE 90040	116808	99741 LEASED	NONE
A157 DCFS BELVEDERE OFFICE	5835 S EASTERN AVE, CITY OF COMMERCE 90040	38814	36873 LEASED	NONE
A580 FIRE-ADMINISTRATIVE HEADQUARTERS OFFICE ANNEX	5801 S EASTERN AVE, CITY OF COMMERCE 90040	28474	25627 LEASED	NONE
A069 FIRE-MAPPING/DATA-AUTO INSURANCE FRAUD OFFICE	5900 S EASTERN AVE, CITY OF COMMERCE 90040	11720	11048 LEASED	NONE
5428 DPSS-BELVEDERE AP DISTRICT OFFICE	5445 E WHITTIER BLVD, EAST LOS ANGELES 90022	70493	49261 OWNED	NONE
A460 DHS-FERGUSON ADMINISTRATIVE SERVICES CENTER	5555 FERGUSON DR, CITY OF COMMERCE 90022	268400	246550 OWNED	NONE
A381 PW-INCORPORATED CITY OFFICE (COMMERCE)	2535 COMMERCE WAY, CITY OF COMMERCE 90040	2170	2170 GRATIS USE	NONE
A823 FIRE-FIRE PREVENTION DIV/ FORESTRY DIV HQTRS	5823 RICKENBACKER RD, CITY OF COMMERCE 90040	17710	15939 LEASED	NONE
A146 FIRE-HAZARDOUS MATERIALS DIVISION HEADQUARTRS	5825 RICKENBACKER RD, CITY OF COMMERCE 90040	16670	13737 LEASED	NONE
A446 FIRE-INFORMATION MANAGEMENT DIVISION OFFICES	5815 RICKENBACKER RD, CITY OF COMMERCE 90040	3722	3350 LEASED	NONE
A427 FIRE-MAPPING & ENGINEERING SECTION OFFICES	5847 RICKENBACKER RD REAR, CITY OF COMMERCE 90040	7177	6100 LEASED	NONE
A183 SHERIFF-HOMICIDE BUREAU OFFICE BUILDING	5747 RICKENBACKER RD, CITY OF COMMERCE 90040	17460	14563 LEASED	NONE
B059 DISTRICT ATTORNEY-AUTO INSURANCE FRAUD UNIT	5999 E SLAUSON AVE, COMMERCE 90040	6840	6500 GRATIS USE	NONE
D090 PUBLIC LIBRARY-CHEY HOLIFIELD LIBRARY	1060 S GREENWOOD AVE, MONTEBELLO 90640	5500	4601 LEASED	NONE
5395 PUBLIC LIBRARY-MONTEBELLO LIBRARY	1550 W BEVERLY BLVD, MONTEBELLO 90640	50530	23989 OWNED	NONE
4983 PUBLIC LIBRARY-PICO RIVERA LIBRARY	9001 MINES AVE, PICO RIVERA 90660	7700	6317 OWNED	NONE
6819 PROBATION-FIRESTONE AREA OFFICE	8526 S GRAPE ST, LOS ANGELES 90001	15431	10475 OWNED	NONE
5934 PUBLIC LIBRARY-LELAND R WEAVER LIBRARY	4035 TWEEDEY BLVD, SOUTH GATE 90280	19461	16955 OWNED	NONE
Y460 DPSS-CUDAHY A/P DISTRICT OFFICE	8130 S ATLANTIC AVE, CUDAHY 90201	30873	24212 OWNED	NONE
A680 PUBLIC LIBRARY-CUDAHY LIBRARY	5218 SANTA ANA ST, CUDAHY 90201	4396	3332 LEASED	NONE
F322 PW FLOOD-IMPERIAL YARD OFFICE	5525 E IMPERIAL HWY, SOUTH GATE 90280	1440	1296 PERMIT	NONE
F325 PW FLOOD-IMPERIAL YARD OFFICE	5525 E IMPERIAL HWY, SOUTH GATE 90280	2600	2340 PERMIT	NONE
0051 PW ROAD-MAINTENANCE DISTRICT NO.4 OFFICE	11282 GARFIELD AVE, DOWNEY 90242	3100	2790 OWNED	NONE
6467 AG COMM/WT'S MEAS-SOUTH GATE ADMINISTRATION	11012 GARFIELD AVE, SOUTH GATE 90280	21902	15325 OWNED	NONE
A755 PUBLIC LIBRARY-HEADQUARTERS	7400 E IMPERIAL HWY, DOWNEY 90242	68000	55733 FINANCED	NONE
4238 ANIMAL CONTROL #1-DOWNEY SHELTER ADMIN BLDG	11258 GARFIELD AVE, DOWNEY 90242	4257	2772 OWNED	NONE
1203 PH-PUBLIC HEALTH FACILITIES BUILDING 301/302	12838 ERICKSON AVE, DOWNEY 90242	19575	12170 OWNED	NONE
A308 PUBLIC LIBRARY-BELL GARDENS LIBRARY	7110 S GARFIELD AVE, BELL GARDENS 90201	5000	4213 PERMIT	NONE
D600 DOWNEY COURTHOUSE	7500 E IMPERIAL HWY, DOWNEY 90242	103502	77003 FINANCED	NONE
1100 PUBLIC SAFETY-HEADQUARTERS/HEALTH SVCS BUREAU	7601 E IMPERIAL HWY, DOWNEY 90242	15482	9221 OWNED	NONE
1264 RANCHO-BONITA HALL (REHAB ENGINEERING)	7601 E IMPERIAL HWY, DOWNEY 90242	6612	3426 OWNED	NONE
0138 RANCHO-BUILDING 700 MODULAR ANNEX	7601 E IMPERIAL HWY, DOWNEY 90242	5665	4622 OWNED	NONE
0139 RANCHO-BUILDING 800 MODULAR ANNEX	7601 E IMPERIAL HWY, DOWNEY 90242	5700	4470 OWNED	NONE
0140 RANCHO-BUILDING 900 ANNEX 'A'	7601 E IMPERIAL HWY, DOWNEY 90242	5700	4931 OWNED	NONE
0141 RANCHO-BUILDING 900 ANNEX 'B'	7601 E IMPERIAL HWY, DOWNEY 90242	5700	5307 OWNED	NONE
2892 RANCHO-BUILDINGSS 605/606	7601 E IMPERIAL HWY, DOWNEY 90242	15658	12249 OWNED	NONE
1194 RANCHO-DIETARY OFFICE/BUILDING 206 (UNUSED)	7601 E IMPERIAL HWY, DOWNEY 90242	6245	4231 OWNED	4231
1189 RANCHO-GENERAL SERVICES/BLDG 201 (UNUSED)	7601 E IMPERIAL HWY, DOWNEY 90242	7271	4668 OWNED	4668
1180 RANCHO-HARRIMAN BUILDING 400 - ADMINISTRATION	7601 E IMPERIAL HWY, DOWNEY 90242	85879	39682 OWNED	NONE
1254 RANCHO-HOSPITAL LANDSCAPE CONTRACTOR'S OFFICE	7601 E IMPERIAL HWY, DOWNEY 90242	2663	2045 OWNED	2045
3385 RANCHO-HOSPITAL OFFICE BLDG 500,501,502 & 503	7601 E IMPERIAL HWY, DOWNEY 90242	88104	63850 FINANCED	NONE
1190 RANCHO-HOUSEKEEPING/ BUILDING 202 (UNUSED)	7601 E IMPERIAL HWY, DOWNEY 90242	6219	4661 OWNED	4661
1198 RANCHO-NURSING EDUCATION/BLDG 210 (UNUSED)	7601 E IMPERIAL HWY, DOWNEY 90242	6462	3955 OWNED	3955
1191 RANCHO-PURCHASING OFFICE/ BLDG 203 (UNUSED)	7601 E IMPERIAL HWY, DOWNEY 90242	6339	4055 OWNED	4055
1193 RANCHO-RECREATION SERVICES/ BLDG 205 (UNUSED)	7601 E IMPERIAL HWY, DOWNEY 90242	6245	4518 OWNED	4518
1192 RANCHO-SNACK BAR #1/ BUILDING 204 (UNUSED)	7601 E IMPERIAL HWY, DOWNEY 90242	6325	4299 OWNED	4299
X238 RANCHO-SUPPORT SERVICES ADMINISTRATION BLDG	7601 E IMPERIAL HWY, DOWNEY 90242	66200	56002 FINANCED	NONE
1267 RANCHO-TRANSPORTATION OFFICE (UNUSED)	7601 E IMPERIAL HWY, DOWNEY 90242	3542	2860 OWNED	2860
5641 PUBLIC LIBRARY-RIVERA LIBRARY	7828 S SERAPIS AVE, PICO RIVERA 90660	6724	5404 OWNED	NONE
A647 LACO FIRE DEPT-HEALTH HAZARDOUS MATERIALS OFF	9155 TELEGRAPH RD, PICO RIVERA 90660	2400	2280 LEASED	NONE

**AMENDMENT NO. 3 TO COUNTY LEASE NO. 72674
SHERIFF
4900 EASTERN AVENUE, COMMERCE**

This Amendment No. 3 to Lease No. 72674 ("Amendment" or "Amendment No. 3") is made and entered into this 20th day of December, 2011, by and between

ARI – Commerce Office Park, LLC, ARI – COP, LLC, ARI – COP Mezzanine, LLC, ARI – COP 1, LLC, ARI – COP 2, LLC, ARI – COP 3, LLC, ARI – COP 4, LLC, ARI – COP 5, LLC, ARI – COP 6, LLC, ARI – COP 7, LLC, ARI – COP 8, LLC, ARI – COP 9, LLC, ARI – COP 10, LLC, ARI – COP 11, LLC, ARI – COP 12, LLC, ARI – COP 13, LLC, ARI – COP 14, LLC, ARI – COP 15, LLC, ARI – COP 16, LLC, ARI – COP 17, LLC, ARI – COP 18, LLC, ARI – COP 19, LLC, ARI – COP 20, LLC, ARI – COP 21, LLC, ARI – COP 22, LLC, ARI – COP 23, LLC, ARI – COP 24, LLC, ARI – COP 25, LLC, ARI – COP 26, LLC, ARI – COP 27, LLC, ARI – COP 28, LLC, ARI – COP 29, LLC, ARI – COP 30, LLC, ARI – COP 31, LLC, ARI – COP 32, LLC, ARI – COP 33, LLC, ARI – COP 34, LLC, ARI – COP 35, LLC, ARI – COP 36, LLC, ARI – COP 37, LLC, ARI – COP 38, LLC, each a Delaware limited liability company ("Lessor") acting by and through TNP Property Manager, LLC ("Agent" for Lessor), hereinafter referred to as "Lessor", and the COUNTY OF LOS ANGELES, a body politic and corporate, hereinafter referred to as "Lessee".

WHEREAS, Newcrow IV, a California joint venture ("Original Lessor"), predecessor-in-interest to ARI COP 17 LLC/ARI COP 26 LLC, and Lessee entered into that certain County Lease No. 72674 dated April 11, 2000 whereby Original Lessor leased to Lessee approximately 25,140 rentable square feet of office space commonly known as Suites 100, 120, 130, and 200 in the building located at 4900 South Eastern Avenue, Commerce, California ("Original Premises"), for a term of five (5) years ("Initial Term") from April 11, 2000 to April 10, 2005; and

WHEREAS, Commerce Office Holding Co., LLC., a Delaware limited liability company ("Commerce") as successor-in-interest to Original Lessor and Lessee entered into that certain Amendment No. 1 to County Lease No. 72674 dated September 24, 2001, (collectively called the "Lease"), whereby Commerce leased to Lessee an additional 12,293 rentable square feet of office space commonly known as Suite 210 in the building located at 4900 South Eastern Avenue, Commerce, California ("Expansion Premises"), for a term of five (5) years ("Expansion Term") from June 27, 2002 to June 26, 2007; and

WHEREAS, ARI Commercial Property, Inc. ("ARI") as successor-in-interest to Commerce and Lessee entered into that certain Amendment No. 2 to County Lease No. 72674 dated March 21, 2006, (collectively called the "Lease"), whereby the parties expanded the term an additional five (5) years ("Expansion Term 2") from March 21, 2006 to March 20, 2011; and

WHEREAS, Expansion Term 2 for the Original and Expansion Premises expired on March 20, 2011 and continues on a quarterly basis; and

WHEREAS, Lessor and Lessee desire to amend the Lease for the purpose of extending the Term of the Lease pursuant to the terms and conditions of the Lease and this Amendment; and

WHEREAS, ARI COP 17 LLC/ARI COP 26 LLC is the successor-in-interest to ARI Commercial Properties, Inc., and, as such, assumes all of the rights and obligations of ARI Commercial Properties, Inc. and the Original Lessor arising under the Lease, as amended hereby; and

NOW, THEREFORE, in consideration of the foregoing recitals, which are hereby deemed a contractual part hereof, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and the rents, covenants and agreements hereinafter contained, Lessor and Lessee hereby covenant and agree to amend Lease No. 72674 as follows:

1.. Paragraph 2. TERM, is hereby amended by the addition of the following :

The term of this Lease with respect to both the Original Premises and the Expansion Premises shall be extended for a period of five (5) years commencing on January 1, 2012 and terminating on December 31, 2016 ("Expansion Term 3").

2.. Paragraph 3. RENT, is hereby deleted in its entirety, and the following language is inserted in substitution thereof:

The Lessee hereby agrees to pay as rent for the Premises the sum of Seventy Two Thousand Thirty One and 60/100 Dollars (\$72,031.60) per month, i.e. One and 85/100 Dollars (\$1.85) per rentable square foot per month for months One (1) through Twelve (12) of the Lease Term, payable in advance by Auditor's General Warrant. Rental payments shall be payable within fifteen (15) days after the first day of each and every month of the term hereof provided Lessor has caused a claim therefor for each such month to be filed with the Auditor Controller of the County of Los Angeles prior to the first day of each month. Rental payments shall be subject to adjustment as stipulated in Paragraph 25 herein.

3.. Paragraph 5. CANCELLATION, is hereby deleted in its entirety, and the following language is inserted in substitution thereof:

Lessee shall have the right to cancel this Lease anytime after December 31, 2014, by giving Lessor not less than one hundred twenty (120) days prior written notice by Chief Executive Office letter.

4.. Paragraph 15. NOTICES, is hereby deleted in its entirety, and the following language is inserted in substitution thereof:

Notices desired or required to be given by this Lease or by any law now or hereinafter in effect shall be given by enclosing the same in a sealed envelope with postage prepaid, certified or registered mail, return receipt requested, with the United States Postal Service.

Any such notice and the envelope containing the same shall be addressed to the Lessor as follows:

TNP Property Manager
Thompson National Properties, LLC
1900 Main Street, Suite 700
Irvine , CA 92614
k.cimino@tnpre.com

or such other place as may hereinafter be designated in writing by the Lessor except that Lessor shall at all times maintain a mailing address in California.

The notices and envelopes containing the same shall be addressed to the Lessee as follows:

Board of Supervisors
Kenneth Hahn Hall of Administration, Room 383
500 West Temple Street
Los Angeles, California 90012

with a copy to:

Chief Executive Office
Real Estate Division
Attention: Director of Real Estate
222 South Hill Street, 3rd Floor
Los Angeles, California 90012

5. Paragraph 20. PARKING SPACES. is hereby amended by the addition of the following :

Lessee shall be allowed to park personal and employer-issued vehicles within the Premises during evenings and weekends at no additional cost, up to a maximum of 15 vehicles for no more than three (3) consecutive calendar days. However, Lessee shall release Lessor of any liability associated with any damages, accidents, injuries or deaths related to evening or weekend parking by Lessee or its employees.

6. Paragraph 25. RENTAL ADJUSTMENT, is hereby deleted in its entirety, and the following language is inserted in substitution thereof:

After the 12th month of Expansion Term 3 (the "Adjustment Date") and on every anniversary of the Adjustment Date thereafter, the Rent shall be adjusted by applying the CPI Formula set forth below.

(a) CPI Formula. The Index means the Consumer Price Index for all Urban Consumers for the Los Angeles-Riverside-Orange County, CA area, all items published by the United States Department of Labor, Bureau of Labor Statistics (1982-84=100). The "CPI Formula" means Base Rent multiplied by a fraction, the numerator being the Index published for the month immediately preceding the month the adjustment is to be effective (the "New Index"), and the denominator being the Index published for the month the Lease commenced (the "Base Index"). If the Index is changed so that the Index differs from that used as of the Commencement Date of the Lease, the Index shall be converted in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics.

If the Index is discontinued or revised during the Term of this Lease, such other governmental Index or computation with which it is replaced shall be used in order to obtain substantially the same results as would be obtained if the Index had not been discontinued or revised.

- (b) Illustration of Formula. The formula for determining the new rent shall be as follows:

$$\frac{\text{New Index}}{\text{Base Index}} \times \$72,031.60 \text{ (Base Rent)} = \text{New Monthly Base Rent}$$

(c) Limitations on CPI Adjustment. In no event shall the monthly Base Rent adjustment based upon the CPI Formula result in an annual increase more than four percent (4%) per year of the Base Rent of \$72,031.60 (i.e. not more than \$2,881.26 per month, per annual adjustment). In no event shall the monthly rent be adjusted by the CPI Formula to result in a lower monthly Base Rent than was payable during the previous year of the Lease.

7. Paragraphs 26, 32 and 34. TENANT IMPROVEMENTS, are hereby deleted in their entirety, and the following language is inserted in substitution thereof:

As a condition of Lessee entering into this Amendment No. 3, Lessor hereby agrees to complete certain tenant improvements and renovations at its sole cost and expense. Lessee shall not be required to reimburse Lessor for any costs associated with the following scope of work (collectively, the "Tenant Improvements"):

- i. Lessor shall lift and/or move furniture while replacing the carpet throughout the Premises in accordance with Lessee's specifications. The carpet specifications are as follows: Mannington Commercial, Urban Design, Doorman (DOMA) color.
- ii. Lessor shall complete the ADA barrier removal project, which shall include modifications to the first floor public restrooms, as set forth in Exhibit A, attached hereto and incorporated herein by this reference.

Lessor, within ten days after receipt of a duly executed copy of this Amendment No. 3, shall promptly prepare or cause its architect or property manager to prepare the Working Drawings ("Working Drawings") covering the aforementioned Tenant Improvements.

The Tenant Improvements must be of substantially the same quality, value and workmanship as the remainder of the Building, and must be completed in accordance with all applicable laws. The Premises shall meet all applicable City, County, State, and Federal building codes, regulations, and ordinances required for beneficial occupancy. Any non-Tenant Improvement work, including construction, that Lessor must undertake to obtain the necessary jurisdictional approvals shall be at Lessor's sole cost and expense.

The parties agree that the estimated time for completion of the Tenant Improvements is 180 days from the date this Amendment is executed by the Lessee (the "Estimated Completion Date"). Lessor shall file for building permit(s), if applicable, to construct the Tenant Improvements within ten (10) days of completion of final Working Drawings and shall diligently proceed to obtain the permit(s) as soon as reasonably possible.

Completion of the Tenant Improvements may be delayed by the following ("Force Majeure Events"):

1. Any act of God which Lessor could not have reasonably foreseen and provided for, or
2. Any strikes, boycotts or like obstructive acts by employees or labor organizations which Lessor cannot overcome with reasonable effort and could not reasonably have foreseen and provided for, or
3. Any war or declaration of a state of national emergency, or
4. The imposition by government action or authority of restrictions upon the procurement of labor or materials necessary for the completion of the Tenant Improvements.

If Lessor fails to obtain the building permit (if applicable) for the Tenant Improvements within a reasonable time, taking all factors into consideration, or if the Tenant Improvements have not been completed within thirty (30) days from the Estimated Completion Date, which period shall be extended for the duration of a Force Majeure Event, Lessee may, at its option, upon ten (10) days written notice to Lessor, assume the responsibility for performing the Tenant Improvements itself or cancel the Lease. If Lessee elects to perform the Tenant Improvements, then Lessee, its officers, employees, agents, contractors, subcontractors, and assignees, shall have free access to the

Premises at all reasonable times for the purpose of performing the Tenant Improvements and for any other purposes related thereto.

8. Notwithstanding anything to the contrary, all other terms and conditions contained in Lease No. 72674 shall remain in full force and effect.

9. Each of the undersigned signatories for the Lessor personally covenant, warrant and guarantee that each of them, jointly and severally, have the power and authority to execute this Lease upon the terms and conditions stated herein and each agrees to indemnify and hold harmless the Lessee from all damages, costs, and expenses, which result from a breach of this mutual representation.

10. In the event of a conflict between the terms of this Amendment and the terms of the Lease, the terms of this Amendment shall control.

11. All undefined terms when used herein shall have the same respective meanings as are given under the Lease as amended unless expressly provided otherwise in this Amendment.

IN WITNESS WHEREOF, the Lessor has executed this Amendment or caused it to be duly executed, and the County of Los Angeles by order of its Board of Supervisors, has caused this Amendment to be executed on its behalf by the Mayor of said Board and attested to by the Clerk thereof the day, month, and year first above written.

LESSOR:

By: **TNP Property Manager, LLC**
a Delaware limited liability company

Its: **as Agent for Landlord**

By: **Thompson National Properties, LLC**
a Delaware limited liability company

Its: **Sole Member**

By: [Signature]
Title: VP Asset Manager

LESSEE:

COUNTY OF LOS ANGELES

By: [Signature]
ZEY YAROSLAVSKY
Chairman, Board of Supervisors



ATTEST:

SACHI A. HAMAI
Executive Officer-Clerk
of the Board of Supervisors

By: [Signature]
DEPUTY

APPROVED AS TO FORM:

ANDREA SHERIDAN ORDIN
County Counsel

By: [Signature]
Amy M. Caves, Senior Deputy

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

17

DEC 20 2011

[Signature]
SACHI A. HAMAI
EXECUTIVE OFFICER

I hereby certify that pursuant to
Section 25103 of the Government Code,
delivery of this document has been made.

SACHI A. HAMAI
Executive Officer
Clerk of the Board of Supervisors

By: [Signature]
Deputy

EXHIBIT A – ADA BARRIER REMOVAL PROJECT

Seashore Construction Scope of Work Description as shown below.			Trades Needed	
001	Site Preparation	Excavation and backfill of site.	Excavation	Gravel
002	Foundation	Foundation for building.	Foundation	Concrete
003	Structural Steel	Structural steel for building.	Structural Steel	Steel Erection
004	Roofing	Roofing for building.	Roofing	Roofing
005	Exterior Walls	Exterior walls for building.	Exterior Walls	Concrete
006	Interior Walls	Interior walls for building.	Interior Walls	Concrete
007	Floors	Floors for building.	Floors	Concrete
008	Partitions	Partitions for building.	Partitions	Concrete
009	Doors	Doors for building.	Doors	Door & Glass Contractor
010	Windows	Windows for building.	Windows	Door & Glass Contractor
011	Roofs	Roofs for building.	Roofs	Roofing
012	Exterior Finishes	Exterior finishes for building.	Exterior Finishes	Concrete
013	Interior Finishes	Interior finishes for building.	Interior Finishes	Concrete
014	Electrical	Electrical for building.	Electrical	Electrical
015	Plumbing	Plumbing for building.	Plumbing	Plumbing
016	Mechanical	Mechanical for building.	Mechanical	Mechanical
017	Painting	Painting for building.	Painting	Painting
018	Landscaping	Landscaping for building.	Landscaping	Landscaping
019	Signage	Signage for building.	Signage	Signage
020	Other	Other for building.	Other	Other

LACv945477-Dwight L. Ho Edwards-Corcoran & Hoag Inc. 8/12/2015

Seashore Construction Scope of Work Description as shown below.

[illegible]

PLEASE PROVIDE ALTERNATE UP-GRADE COSTS FOR 2ND FLOOR ADA COMPLIANCE ISSUES:

Including: Demo, Restroom's counter replacement including: Millwork, Corian, Drywall, Ceramic, and Mirrors, Doors and Hardware, Signage, and Elevators issues that will need to be up-graded to comply with the ADA items as described for 1st floor corrections.

4900 S. EASTERN

Proposed West Side Site Plan
ADA PARKING

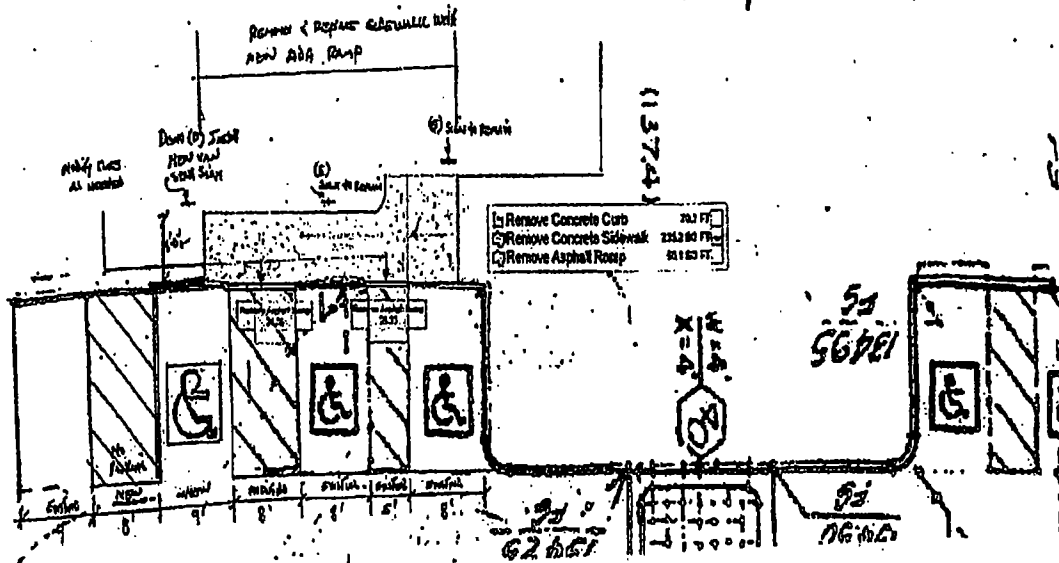


EXHIBIT A
Page 4

4900 S. EASTERN

PROPOSED EAST SIDE SITE PLAN ADA PARKING

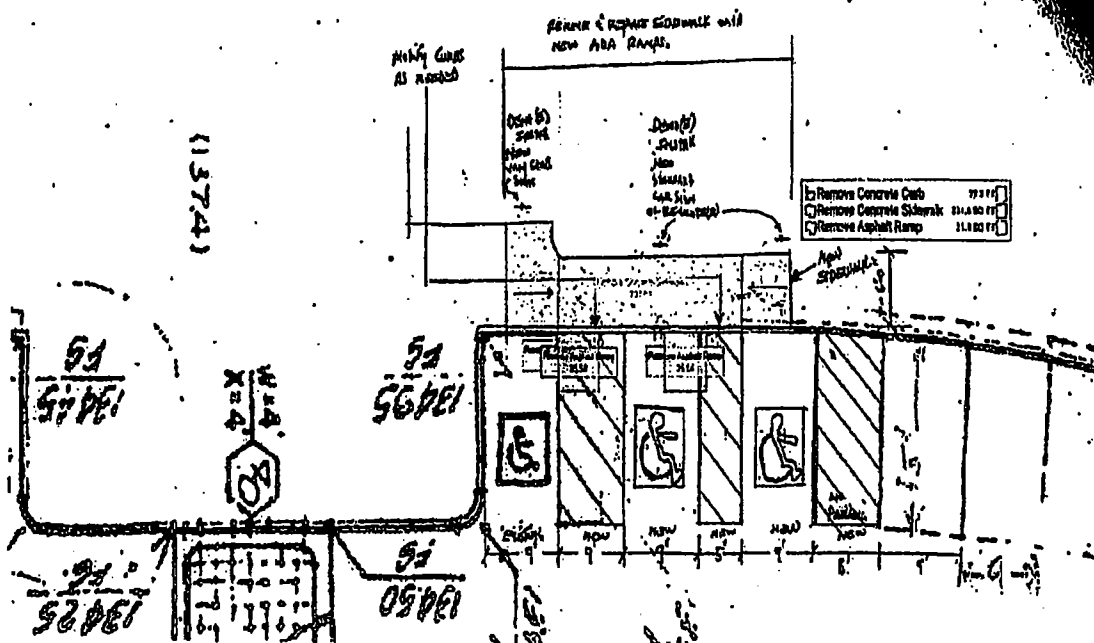


EXHIBIT A
Page 5

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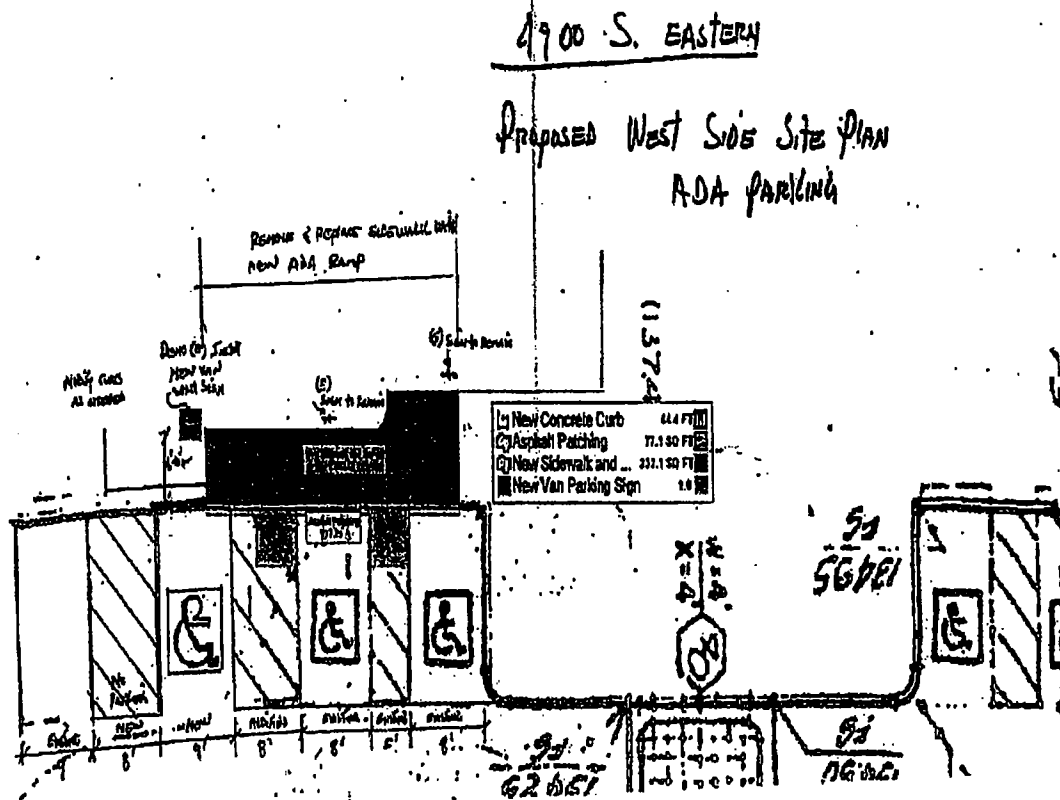
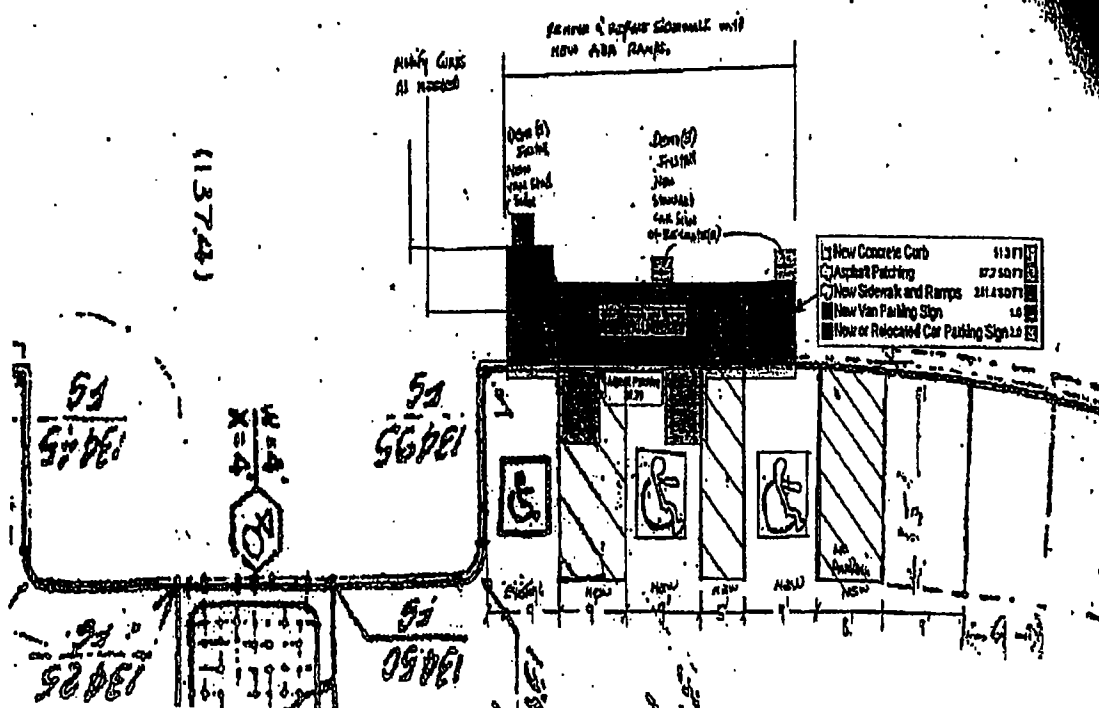


EXHIBIT A
Page 6

Proposed EAST SIDE SITE PLAN
ADA PARKING



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